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FOR ACTION

PROGRESS REPORT ON THE MANAGEMENT EXCELLENCE PROGRAMME IN UNICEF

SUMMARY

The present report responds to Executive Board decision 1995/25 (E/ICEF/1995/9/Rev.1) in which the secretariat was requested to provide the Board with regular updates on progress made on management excellence in UNICEF.

Chapter I describes progress made in the following areas: defining the UNICEF mission; external consultancies in supply, information resources management and financial management; management excellence projects; and staff consultation and participation. It also reports on the next steps to be taken in the process. The management excellence programme budget is presented in chapter II. A matrix illustrating the link between the Booz•Allen & Hamilton recommendations and management excellence programme activities in contained in the annex to the present report.

* E/ICEF/1996/2.

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CONTENTS

		Paragraphs	Page
I.	UPDATE ON PROGRESS	1 - 43	3
	A. Defining the UNICEF mission	2	3
	B. External consultancies in supply, information resources management and financial management	3 - 6	3
	C. Management excellence projects	7 - 34	4
	D. Staff consultation and participation	35 - 40	9
	E. Next steps	41 - 43	11
II.	MANAGEMENT EXCELLENCE PROGRAMME BUDGET	44 - 48	12
Table.	Approved and revised budget for 1995-1996		13
Annex.	LINKAGES BETWEEN THE BOOZ•ALLEN & HAMILTON (BAH) STUDY AND THE MANAGEMENT EXCELLENCE PROGRAMME		14

I. UPDATE ON PROGRESS

1. In accordance with Executive Board decision 1995/25 (E/ICEF/1995/9/Rev.1) on "Management excellence in UNICEF" (E/ICEF/1995/CRP.48), adopted at the third regular session in September 1995, the present report provides an update on progress made. During the past three months, the programme for management excellence in UNICEF has gained momentum and has engaged UNICEF staff worldwide in specific activities linked to the various projects to strengthen management in UNICEF.

A. Defining the UNICEF mission

2. Following extensive consultation with national partners, the Executive Board, National Committees for UNICEF and the staff of UNICEF, a draft UNICEF mission statement, contained in document E/ICEF/1996/AB/L.2, will be submitted to the Executive Board at the present session.

B. External consultancies in supply, information resources management and financial management

3. The Coordinating Committee on External Consultancies, established in May 1995 to bring the global "user" perspective to the external consultancies, has recommended to the Executive Director the use of consulting services for major systemic studies in supply, information resources management and financial management.

4. The study on the UNICEF supply function currently under way will produce final recommendations in April 1996 on (a) the supply function and strategies to best meet organizational needs based on an analysis of changing organizational priorities, programme policies and strategies; (b) performance standards and monitoring systems for assessment of supply service; and (c) performance standards and monitoring systems for assessment of organizational and systems changes needed. A second study on inventory management systems, which will commence in February 1996, will produce recommendations on the inventory management system, including the logistic flow of planning, order processing, warehousing, packing and shipping, to (a) ensure optimal service to programmes; (b) establish an inventory strategy, including identification of investment costs to Supply Division and the customer; (c) improve response time for both emergency and regular operations; (d) review logistics planning processes for incoming and outgoing supplies; (e) establish criteria for holding goods in stock in the warehouse; (f) review emergency item stock levels to ensure optimum response; and (g) establish performance standards.

5. The information technology study now under way will review the status of UNICEF in this area, and final recommendations on an information technology strategy that leverages and supports UNICEF priority needs will be submitted in January 1996. The study has examined the UNICEF information technology mission; major information technology priority activities; and how the information technology function should be governed, structured and financed. An implementation plan will be produced. A data centre disaster recovery study will be undertaken in January 1996 to produce a disaster recovery strategy and plan and an operations manual, including recommendations on data centre

resources and staffing. The wide area network study will commence in early 1996. The draft terms of reference for the study have been prepared and will be further refined in January 1996 based on the results of the information technology study.

6. The financial systems study, which will commence in January 1996, will propose a new financial system that will support integrated budgets, provide for greater transparency in financial reporting, make financial closures simpler and quicker, and provide up-to-date financial information for management decisions throughout UNICEF.

C. Management excellence projects

7. As reported in document E/ICEF/1995/CRP.48, the Management Steering Committee approved seven projects at a retreat held in July 1995. After the retreat, two additional projects were identified: (a) Communication Strategy and Structure; and (b) Strategy and Structure for Relations with Governments, the United Nations System, and Intergovernmental and Non-Governmental Organizations. A description of the two new projects follows.

Communication Strategy and Structure

8. Objective. To develop a global communication policy to be implemented through (a) comprehensive and integrated strategies; and (b) appropriate management and coordination structures, with clear lines of responsibility and accountability.

9. Outcomes. Clear and consistent corporate identity and image; mechanism(s) to ensure and support coherent, accurate and consistent images; increased public awareness, understanding, credibility and support (including fund-raising) for the work and mandate of UNICEF; more rational, cost-effective use of resources (human and financial) for communication; streamlined communication structures, with clear lines of responsibility and accountability; clear positioning of the UNICEF communication function in response to emergency situations; communication policy and strategies based on child rights; and effective and efficient communication and social mobilization approaches to promote changes in knowledge, attitudes and practices.

10. Time-frame. September 1995-March 1996.

Strategy and Structure for Relations with Governments, the United Nations System, and Intergovernmental and Non-Governmental Organizations

11. Objective. Clarification of objectives of UNICEF relations with Governments, the United Nations system, and intergovernmental and non-governmental organizations, and development of a comprehensive, consistent and integrated strategy for interaction with them; and design of an appropriate organizational structure, with clear lines of responsibility, coordination and accountability.

12. Outcomes. Coherent and consistent objectives and strategies to guide UNICEF relations; identification of policy areas to be addressed; and proposal

of an organizational structure which facilitates these relationships in a way that avoids duplication and cost inefficiencies.

13. Time-frame. September-December 1995.

14. In summary, management excellence project teams have been working towards recommendations in the following areas: structure of accountability in UNICEF; building the capacity for effective field management; relations with National Committees; commitments and conduct; developing a human resources strategy and strategic function; staff deployment process; human resources support system; communication; and relations with Governments, the United Nations system, and intergovernmental and non-governmental organizations.

15. In launching the work of the project teams, the Management Task Force and the Training and Staff Development Section organized the first meeting of the teams in Fairfield, Connecticut (United States), from 10-15 September 1995. At that meeting, the teams agreed on the definition, objectives and outcomes of their respective projects, verified the tasks or "deliverables" that were necessary to achieve the objectives and developed team work plans.

16. The project teams examined priority issues identified by the Booz•Allen & Hamilton study, as well as responses from all parts of the organization, in order to refine their project outcomes, activities and work plans. Project teams also began consulting with the wider body of UNICEF staff to test new ideas, gain insight from relevant experiences and best practices, and provide a vehicle for focused staff participation. Through surveys, issues papers, interviews and discussions at meetings of regional representatives, as well as of global, regional and headquarters advisory councils, staff have contributed to the work of the project teams.

17. The Management Task Force has held bimonthly meetings of team leaders to discuss common issues, review progress and plan for next steps. Meetings of team "communicators" also have taken place bimonthly to allow opportunities for timely information flows between teams on project team activities and future plans and to coordinate meetings between teams so that issues of mutual concern can be addressed. During this period, teams met with several resource persons, among them representatives of the Swedish International Development Authority and the Australian Agency for International Development, to share their experiences in organizational change. Below is a brief summary of the progress made and ideas which are currently being discussed by the project teams.

Structure of Accountability

18. The project team for Structure of Accountability, Phase I, finished an intensive three-week meeting on 1 December 1995 and made considerable progress in developing recommendations on a UNICEF-wide structure that defines key planning, execution and control functions; accountabilities; and interrelationships among headquarters, regional offices and country offices. The meeting benefited from extensive staff inputs, consultation with other management excellence project teams and the initial results of the commitments and conduct survey conducted by the Global Advisory Council.

19. Principles also were established reflecting the centrality of the country approach as the fundamental strength of UNICEF. Conclusions reached point to the need to ensure greater self-reliance at the country level, while ensuring that supervision, support and oversight are exercised at appropriate levels to ensure quality assurance for the most efficient, cost-effective delivery of services for children. A set of principles was established for guiding the development of structures that clearly identifies the close relationship between structural change and behavioural change in UNICEF. The team is continuing its consultations and work in sub-groups and will meet again in New York on 8-12 January 1996 to finalize draft recommendations for review by the Management Steering Committee. The secretariat will consult with the Executive Board to determine which recommendations can be implemented by the Executive Director and which recommendations will require Executive Board approval.

Effective Field Management

20. This project, while not due to engage in full-time activities until the recommendations from Structure of Accountability, Phase I, are ready, has begun to identify, through staff surveys, the main factors inhibiting good management in work units. Certain issues are emerging from staff consultation, as well as from the work of other project teams, which this team can focus on in the interim.

21. Some of the issues that are already being addressed include the need for all staff, especially those in supervisory positions, to strengthen their "people management" skills and their ability to manage and monitor resource use at field offices and headquarters divisions. To this end, training in "people management skills", "work process redesign", and "self-assessment", is being introduced throughout UNICEF by the Training and Staff Development Section. In addition, the project to develop a program manager system has been strengthened significantly since September 1995. A joint field/headquarters team working with analysts from the Office of Information Resources Management (IRM) is developing one system for project work planning; budget preparation; requisitioning supplies, staff and services; processing payments; reconciling accounts; and producing monitoring reports. This management tool is designed to reduce staff workload while at the same time increasing accountability.

Relations with National Committees

22. The project team responsible for developing recommendations for effective collaboration with National Committees for UNICEF aims to complete its work in the first quarter of 1996. To date, this team has conducted interviews through and with National Committees, UNICEF staff at headquarters and in country offices, the Executive Board, the Delphi Panel of the Booz•Allen & Hamilton study and others to define what expectations and needs UNICEF is likely to address in the next 10-15 years. It also has analysed key processes and functions that need to be improved in the relationship between UNICEF and its National Committees and has explored a typology of UNICEF "presences" under varying country situations. Finally, an analysis has been made of the resource mobilization and fund-raising functions with a view to optimizing resource availability through UNICEF work to meet children's needs. On the basis of the above analyses, the team will develop recommendations for an improved UNICEF strategy and structure for working with National Committees.

Commitments and Conduct

23. In order to define the principles that should govern the commitment and conduct of all UNICEF staff, the Global Advisory Council engaged UNICEF staff in a participatory exercise that resulted in survey responses from over 50 per cent of UNICEF staff in all locations and at all levels. The Global Advisory Council will complete its analysis of the staff survey in January 1996, but it is already clear from the initial quantative analysis of staff questionnaires that staff wish to see shared principles guiding both behavioural and structural changes in UNICEF. The convictions of staff about the nature of the work environment have been taken fully into account by the Structure of Accountability Team, and they are helping to shape proposals for restructuring.

24. The exercise to define principles for shared commitment and conduct also has reaffirmed the importance of the participatory process for management reform in UNICEF. The Global Advisory Council will submit its recommendation on guiding principles to the Management Steering Committee at its next meeting in late January 1996 and, in turn, to the Executive Board at its second regular session in April 1996.

Developing a Human Resources Strategy and Strategic Function

25. The Human Resources Strategy and Strategic Function Project Team has been extremely active in developing a human resources strategy for UNICEF which will be reflected in a strategy paper on the subject to be circulated organization-wide at the end of the first quarter of 1996. Discussions on the key components of a human resources strategy have taken place at country, regional and headquarters levels. Country-level consultations have been held in Bangladesh, Brazil, Cuba, Ecuador, Guinea, Indonesia (including government partners), Tunisia, Turkey, Uganda and Zaire. The UNICEF human resources strategy was on the agenda of the regional representatives' meetings held in the Middle East and North Africa and East Asia and the Pacific regions. Human resources issues also were discussed at the Global Staff Association (GSA) Annual General Meeting, which resulted in contributions to the human resources strategy paper on the issues of performance management and career management. This project team also has held meetings with other management excellence project teams to coordinate on common issues.

26. As a result of these consultations, the Human Resources Strategy and Strategic Function Project Team is focusing on consolidating a vision for human resources leadership and management. This will include promoting and communicating a set of fundamental principles to guide behaviour at work; integrating human resources considerations in all aspects of strategic planning; establishing human resources leadership and management as a shared responsibility throughout the organization; attaching highest priority to developing organization-wide competencies in human resources leadership; establishing clear standards for measuring progress or results in human resources management; and providing sustained support to line managers in improving and maintaining key human resources processes. The team also is discussing a mix of broad actions required to head in the direction of the vision.

27. Within the Division of Personnel (DOP), a start has been made to shift the Division's emphasis from personnel administration to human resources management. A draft vision paper on human resources in the year 2000 has been prepared which elaborates the type of human resources function that is desirable in the future. Approximately 40 DOP staff attended a professional upgrade seminar which exposed them to new trends and best practices in human resources. DOP staff have benefited from collaboration with the New School for Social Research in New York by exploring such areas as career management approaches, competency assessment and development, and performance management. Additionally, discussions have been initiated with the Asian Institute of Management in Manila, Philippines, with a view to developing further a working relationship in support of human resources development in UNICEF.

Staff Deployment Process

28. Although the work of this project team was originally not due to begin until 1996, the team is already working on developing a discussion paper on an ideal staff deployment system. Individual team members have been assigned to work on various topics identified by the Booz•Allen & Hamilton study. The first full team meeting was held on 13-17 November 1995, and the team sent their discussion paper to the Human Resources Strategy and Strategic Function Team for review at its meeting in December 1995.

Human Resources Support System

29. The development of updated personnel management policies, processes and systems is continuing within DOP. The revised personnel policies manual has now been finalized. Work that remains to be done includes the redesign of key personnel processes in light of a new structure for accountability and the development of a strategic human resources information system.

Communication Strategy and Structure

30. The Communication Strategy and Structure Project Team defined the central role of communication in what UNICEF does at all levels in its effort to put the needs and rights of children at the top of everyone's agenda, and by doing so to influence policies, attitudes and practices for the benefit of children. The team selected specific areas where there is the need to redefine the image UNICEF projects, and identified opportunities for doing this more professionally and in ways to ensure greater cost-effectiveness. One part of the team, working primarily out of Geneva, developed a profile of public perceptions of UNICEF from the media, especially in industrialized countries. Another part of the team addressed field perceptions of the messages UNICEF projects. The results, first presented at a week-long retreat held in November 1995, are being used to develop an integrated corporate communication strategy and to shape proposals for more effective structures and professional standards. This strategy, to be developed fully in January 1996, specifically addresses not only the print and standard image media, but also the challenge and opportunities of new communication technologies.

31. Following the team's November meeting, an interim committee on electronic media began work on establishing principles to shape guidelines and design

standards for UNICEF to use the World Wide Web. This will serve as input into the team's communication strategy. Cost components and improved planning and budgeting mechanisms for headquarters' publications are being reviewed, and a "governance" process is under consideration to ensure that UNICEF maintains and improves its cost-effectiveness in communication. The team met with the Structure of Accountability Team to present and discuss structures that would improve UNICEF communication capacities, emphasizing in particular the need for cross-divisional teams, drawing on units of high technical competency. Work on a communication strategy in the area of child rights is in its early stages.

Strategy and Structure for Relations with Governments, the United Nations System, and Intergovernmental and Non-Governmental Organizations

32. This project team has produced several draft discussion papers on strengthening relations between UNICEF and the various groups with which it interacts. These papers have formed the basis for their recommendations. Consultations were held with UNICEF staff, United Nations agencies, non-governmental organizations (NGOs) and intergovernmental organizations to obtain feedback and suggestions on the discussion papers, including the following examples: two meetings with selected NGOs in New York and Geneva; the NGO Committee on UNICEF meeting in Geneva; regional representatives' meetings in the Eastern and Southern Africa, West and Central Africa and East Asia and the Pacific regions; a list of questions submitted to the field offices in Eastern and Southern and West and Central Africa; two separate meetings with the UNICEF geographic desks; a meeting with the sectoral desks; meetings with United Nations agency counterparts in Geneva and New York; and assessments of UNICEF/NGO cooperation in Bolivia, Brazil, Ecuador, Egypt and Guatemala. A team meeting was held in November 1995 to consider structural implications for their recommendations. This project team submitted its final report in December 1995.

33. This project team has produced several draft discussion papers on strengthening relations between UNICEF and its various partners which have formed the basis for their recommendations.

34. Following the Executive Board request for an update on the criteria and review of the role of NGOs in implementing UNICEF programmes (E/ICEF/1995/9/Rev.1, decision 1995/26), provisional guidelines have been issued for UNICEF cooperation with NGOs in complex emergency settings. They are currently being adapted for use in regular project cooperation with NGOs. These guidelines contain the criteria, policies and procedures for selection and collaboration with NGOs. In a parallel effort, a new model Project Cooperation Agreement will be circulated organization-wide offering a set of clear procedures to ensure proper monitoring, record- and account-keeping, reporting and accountability in projects funded or co-funded by UNICEF.

D. Staff consultation and participation

35. Global, regional and headquarters advisory councils have been approved to provide linkages to staff worldwide and to provide channels for involvement and assure ongoing communication. In addition to the Global Advisory Council, regional advisory councils are now operational in all regions and at headquarters, and since the last report to the Executive Board, every council

has met at least once. They facilitate discussions with staff on the various management excellence projects, monitor staff participation and access to information, and keep the Management Task Force in touch with the issues that help or hinder the entire process in offices around the world. Councils also have defined their role as one that supports regional directors, representatives and heads of offices in leading the change process as well as in developing initiatives at the local work-unit level that will result in qualitative improvements in the way UNICEF works. The Global Advisory Council has managed the participatory process for defining staff commitments and conduct.

36. All project teams have begun consultations with the wider body of UNICEF staff to test new ideas and to gain insights from relevant experiences and best practices. Consultations have been in the form of surveys, issues papers, interviews and discussions at meetings organized by advisory councils or staff associations. In addition, the management excellence programme has been on the agenda of all regional representatives' meetings, where the Executive Director, project team members and/or the staff of the Management Task Force have outlined the process and received input from UNICEF representatives.

37. Some project teams have undertaken very targeted consultation processes, such as the team working on developing the UNICEF human resources strategy and strategic function. This team has been undertaking ongoing consultations with a specific sample of UNICEF country offices, regional personnel officers and regional operations officers, in addition to carrying out individual country case studies on team self-assessments and a human resources management improvement plan. Another example of targeted consultation is that of the team preparing recommendations on UNICEF relations with National Committees which has consulted with National Committees, the Executive Board and UNICEF staff members who work with National Committees both at headquarters and in the field. Additionally, consultations also have taken place with other United Nations agencies and intergovernmental and non-governmental organizations by the team responsible for examining UNICEF relations with these partners.

38. These efforts represent stage one in the overall management excellence process, and consultations with UNICEF staff and our partners will continue to take priority into the next phases of this effort.

39. Given the importance of access to information for staff participation, the Management Task Force designed and is implementing an information strategy to provide all staff with timely information on progress in the management excellence effort. This strategy has been based on both existing communication channels such as regional offices, regional advisory councils and GSA, in addition to taking advantage of current information technologies such as electronic mail. The following are examples of information dissemination efforts made in an attempt to maintain transparency regarding UNICEF management excellence activities:

(a) The use of the UNICEF NEWSFLASH system to provide brief updates on new developments;

(b) Diskettes containing all working documents of the management excellence programme being distributed to all representatives, division heads, staff association chairpersons and advisory councils;

(c) Executive Directive 1995-019 on "Management excellence in UNICEF", providing an update on progress, project descriptions and team lists;

(d) Presentations by various project team members, advisory council members and the Management Task Force in meetings organized by staff associations or advisory councils, regional representatives' meetings, division or section meetings, etc.;

(e) Special arrangements for staff members located in declared emergency areas to receive information through communication channels set up by the Emergency Operations Centre at headquarters;

(f) Translation of certain management excellence documents into French and Spanish;

(g) The use of electronic mail, the UNICEF gopher site and the UNICEF World Wide Web homepage as a means for UNICEF staff and partners to access information themselves at any time.

40. The Management Task Force will continue to explore new ways of keeping this process open and participatory by ensuring that all staff have the possibility to inform themselves and to participate in achieving management excellence in UNICEF.

E. Next steps

41. The Steering Committee will meet at the end of January 1996, during which project team leaders and the Global Advisory Council will report on progress to date; review team results, including draft recommendations related to the structure of UNICEF; and examine the findings and recommendations of the information technology study. The Management Task Force will undertake a technical review of all recommendations before they are presented to the Steering Committee.

42. The Executive Director has made it a high priority to ensure the continued full involvement of the Executive Board and the staff of UNICEF in the overall management excellence process. Throughout 1996, the secretariat will continue to share relevant documentation and to schedule intersessional meetings on progress made. In accordance with Executive Board decision 1995/25, a progress report on the implementation of management excellence in UNICEF will be submitted to each Executive Board session in 1996. Regarding a time-frame for decision-making in the Executive Board, it is currently estimated that the secretariat will present recommendations on principles for staff commitments and conduct and substantive progress reports on all projects at the second regular session of 1996 and recommendations on the following at the 1996 annual session: (a) a new UNICEF macro-structure, including support, oversight and accountabilities at country, regional and global levels of the organization; (b) streamlined communication structures, with clear lines of responsibility and accountability; and (c) an appropriate structure and clear principles and procedures for interactions between UNICEF and National Committees.

43. As requested in Executive Board decision 1995/25, a matrix has been prepared which illustrates the link between the Booz•Allen & Hamilton recommendations and management excellence programme activities.

II. MANAGEMENT EXCELLENCE PROGRAMME BUDGET

44. The table below provides a summary of resources spent and allocated for continued implementation of the management excellence programme. Approved and actual expenditures for 1995 show an unspent balance of $1,309,000. Underexpenditures in the overall operating costs of the Management Task Force are the result of the management excellence programme only becoming fully operational in the second half of the year, in addition to revisions of the overall process for implementing the programme. This is reflected in the creation of project teams and advisory councils as opposed to workshops as the mechanisms for consulting with the wider body of UNICEF staff and producing recommendations in priority areas.

45. Travel and meeting costs were lower than anticipated because project teams and advisory councils did not begin their work until the third quarter of 1995. Many of the meetings and events which required travel were combined with other travel or were within approved country office ceilings for travel of project team members and advisory council members. This commitment to participate in the change effort by reallocating budgetary priorities is a good indication of the ownership of the process.

46. The costs of the external consultancies for systems studies in supply, finance and information resources management reflect an unspent balance in 1995 of $728,000 primarily due to a consolidation of issues into fewer studies, more preparatory work being done by the secretariat and the postponement of the studies in data centre disaster recovery and wide area networks until the completion of the information technology strategy study in January 1996.

47. The revised budget for 1995-1996 reflects a projected savings of $1,084,000. Based on lessons learned in 1995 and a clearer knowledge of what is required, the Management Task Force has revised the 1996 budget to reflect the need for adjustments in the following areas: the provision for studies in data centre disaster recovery and wide area networks which were postponed until the completion of the information technology strategy study in January 1996; increased and more varied consultancy services/expertise in implementing and training for organizational restructuring and change; and wide-based consultation through the advisory councils on project team recommendations and implementation workshops as the management excellence programme moves into an intensive phase of implementing recommendations. As follow-up to the Booz•Allen & Hamilton study, plans have now been made to undertake a study in early 1996 to review the profitability of greeting cards and product sales. The estimated cost for this study is $200,000 and is within the overall approved budget.

48. In summary, all revisions to the approved 1995-1996 budget reflect an overall anticipated savings of $1,084,000 in total budget requirements.

Approved and revised budget for 1995-1996
(In United States dollars)

	Approved 1995	Actual expenditure 1995	Approved 1996	Revised 1996	Approved total 1995/1996	Revised total 1995/1996
A. Staff costs						
1. Professional staff	295 000	295 000	448 000	448 000	743 000	743 000
2. General Service staff	37 000	37 000	58 000	58 000	95 000	95 000
3. Consultants	270 000	270 000	50 000	200 000	320 000	470 000
Subtotal, Staff costs	602 000	602 000	556 000	706 000	1 158 000	1 308 000
B. Operating costs						
1. Travel: Management Task Force	150 000	50 000	150 000	150 000	300 000	200 000
2. Advisory council meetings (4 global council meetings at $58,250 each; 14 regional council meetings at $30,000 each)	326 500	93 500	326 500	326 500	653 000	420 000
3. Workshops (10 workshops at $80,000 each)	400 000	152 000	400 000	400 000	800 000	552 000
4. Equipment: personal computers/fax	27 000	27 000	-	-	27 000	27 000
5. Communication/information	25 000	25 000	25 000	50 000	50 000	75 000
Subtotal, Operating costs	928 500	347 500	901 500	926 500	1 830 000	1 274 000
C. External consultancies for systems studies						
1. Supply function	750 000	700 000	250 000	-	1 000 000	700 000
2. Financial systems	600 000	570 000	400 000	-	1 000 000	570 000
3. Information resources management	1 000 000	352 000	-	500 000	1 000 000	852 000
4. Greeting Card and related Operations	-	-	-	200 000	-	200 000
Subtotal, Management studies	2 350 000	1 622 000	650 000	700 000	3 000 000	2 322 000
TOTAL	**3 880 500**	**2 571 500**	**2 107 500**	**2 332 500**	**5 988 000**	**4 904 000**

Annex

LINKAGES BETWEEN THE BOOZ• ALLEN & HAMILTON (BAH) STUDY AND THE MANAGEMENT EXCELLENCE PROGRAMME

BAH RECOMMENDATIONS	MANAGEMENT EXCELLENCE ACTIVITIES
Mission and emergencies	
Reconsider overall mission, and emergencies in the context of mission, as demanded by pressures of United Nations reform and increasing level of emergency situations.	Following extensive consultation, draft UNICEF mission statement was circulated widely within UNICEF and with the Executive Board. Final version to be approved by Executive Board at January 1996 session. Paper outlining the UNICEF mission and strategies in emergencies to be presented to the January 1996 Executive Board session. Use of spending cap not yet formally decided upon; however, UNICEF presently applies guideline for spending on emergencies not to exceed 15 per cent of total expenditures. **Structure of Accountability Team** to clearly identify the comparative advantage of UNICEF in emergencies, within the context of United Nations-wide emergency programming.
Clearly define nature of the role of UNICEF in emergencies - options include selecting a particular functional role or using a spending cap over a period of years.	
Improve operational effectiveness in emergencies through increased preparedness, more proactive staff deployment, increased support of countries' staff development, increased support of countries and increased cost-effectiveness.	**Effective Field Management Team** to: (a) Review all operations functions for emergency and non-emergency, giving a high priority for strengthening actions to address emergency needs; (b) Establish clearer profile for needed skills to manage operations function and working (with Human Resources Strategy and Strategic Function and Staff Deployment Process Teams); (c) Streamline process by which Emergency Operations can request changes to the advance programme structure, to increase flexibility while maintaining discipline. It will also redesign work process to facilitate issuance of funds.
Supply	
Integrate Supply Division more effectively into the field operations of UNICEF rather than "spinning it off" as an outside, self-financing, quasi-commercial operation.	**Study under way on the UNICEF Supply function** to recommend (a) new supply function and strategies to best meet organizational needs based on analysis of changing organizational priorities, programme policies and strategies; and (b) performance standards and monitoring systems for assessment of supply service and organizational and systems changes needed. Second **study on inventory management systems** to produce recommendations/changes to the inventory management system, including logistic flow of planning, order processing, warehousing, packing and shipping, to (a) ensure optimal service to programmes; (b) establish an inventory strategy, including identification of investment costs to Supply Division and the customer; (c) improve response time for both emergency and regular operations; (d) review logistics planning process for incoming and outgoing supplies; (e) establish criteria for holding goods in stock in warehouse; (f) review emergency item stock levels to ensure optimum response; and (g) establish performance standards.
Invest in systems analysis and re-engineering to improve productivity, delivery time and cost-effectiveness; management will be an important element.	
Develop operating policies aimed at high performance in terms of customer service levels to UNICEF emergencies and UNICEF country organizations before outward to broader customer base.	
Institute improved monitoring to provide a continuous "read" on customer satisfaction.	

BAH RECOMMENDATIONS	MANAGEMENT EXCELLENCE ACTIVITIES
Information systems	
Generate strategic guidelines for information resources management (IRM); where IRM fits into profile of overall mandate and goals of UNICEF, including concepts of return to investment "What is it worth for UNICEF to have 'Capability X'?".	**Information technology (IT) study** now under way will review the UNICEF IT status and plans. A report will be prepared recommending an IT strategy that leverages and supports UNICEF priority needs. The study will examine the UNICEF IT mission; major IT priority activities; how the IT function should be governed, structured and financed; and will provide recommendations on an implementation plan. A data centre disaster recovery study will be undertaken in January 1996 to produce an operations manual and a disaster recovery strategy and plan, including recommendations on data centre resources and staffing. Wide area network study to commence in early 1996. Review of PROMS currently under way; new project leader and team in place; scope has been redefined; budget for development has been revised; planning and implementation under way.
Conduct comprehensive review of IRM mission and business processes.	
Undertake programme and organization changes to address improvement opportunities, e.g. new assessment of outsourcing.	
Implement business process changes to realize improvements in service levels.	
Review programme manager system (PROMS) in terms of scope, costs and senior management support.	
Re-evaluate migration project for cost/value relationship and business risk.	Migration Steering Committee chaired by the Deputy Executive Director, Operations, has appraised approach for the migration project with revised plan, including review of business risk.

Financial systems	
Build "transparency" into the UNICEF value system; a standard for staff performance - not only "Is it right?", but also "Is it clear? Can it be understood? Can it be readily demonstrated?".	Based on a staff survey, the **Commitments and Conduct Team** is developing a set of professional standards and functional principles for all UNICEF staff and will be responsible for ensuring that these standards and principles are integrated into the UNICEF way of working through common commitment of the organization and of individual staff.
Build transparency and accountability into process design and organization change criteria, e.g. the division of accounting responsibilities, responsibility for cash balances, etc.	**Structure of Accountability Team** to recommend structure defining critical roles, responsibilities and accountabilities for UNICEF, including financial systems. **Financial management systems study** commencing in January will also address this issue.
Eliminate double budgeting; integrate programme and administrative budgets for country offices; develop a more analytical budgeting process.	All three recommendations currently under way as part of integrated budget proposals. **Financial management systems study** commencing in January to propose new financial system which will support integrated budgets, provide for greater transparency in financial reporting, make financial closures simpler and quicker, and provide up-to-date financial information for management decisions throughout UNICEF.
Improve transparency in process for presenting multiple budgets to the Executive Board.	
Implement improvements in global funds budgeting and reporting.	

Annex (continued)

BAH RECOMMENDATIONS	MANAGEMENT EXCELLENCE ACTIVITIES
Financial systems (continued)	
In collaboration with IRM, upgrade information systems in the field and at headquarters to facilitate field data submission, headquarters financial closures, etc.	**Financial management systems study** commencing in January (a) to review the present financial business processes and computer systems of UNICEF and recommend improvements in all areas to provide for current and projected requirements at both headquarters and field offices; and (bi) evaluate financial systems software (including the United Nations integrated management information systems (UN-IMIS)) to identify candidates that meet UNICEF requirements. Efforts being made by IRM to increase global connectivity. Connectivity and access to wide area data networks have emerged as a strategic priority for the organization as a result of the management excellence projects and the work in progress with the UNICEF strategic IT study. A study on wide area networks and connectivity will commence in early 1996 to guide senior management in these decisions which will have major cost consequences for UNICEF.
Modify headquarters organization structure to include all accounting functions; all budgeting within the Division of Financial Management.	**Structure of Accountability Team** to recommend structure defining critical roles, responsibilities and accountabilities for UNICEF, including accounting and budgeting functions. **Financial management systems study** commencing in January 1996 to design and recommend an overall integrated financial model/architecture for headquarters and field office systems, including Greeting Card and related Operations (GCO).
Build field capabilities to handle transaction processing and monitoring.	**Effective Field Management Team** to ensure that PROMS has a strong focus on strengthening transactions processing and monitoring. **Financial systems study** to estimate human resources and training cost requirements for implementing new system.
Enforce policies concerning reporting use of cash assistance.	**Effective Field Management Team** to ensure that PROMS will include reporting use of cash assistance.

Structure	
Consider an Associate Executive Director to provide internal administrative leadership at the highest level; retain external orientation in the Executive Director position.	**Structure of Accountability Team** to recommend structure defining critical roles, responsibilities and accountabilities for UNICEF, including Executive Director's Office, strategic function, human resources and GCO. **Human Resources Strategy and Strategic Function Team** to collaborate with Structure of Accountability Team on defining structure, roles, accountabilities and interrelationships for human resources management.
Form a Strategy Committee comprised of external class experts for counsel in substantive strategic choices.	
Increase priority and accountability of human resources and greeting card business by having them report to the Associate Executive Director.	

BAH RECOMMENDATIONS	MANAGEMENT EXCELLENCE ACTIVITIES
Structure (continued)	
Introduce Oversight Group, including Internal Audit as well as "Field Oversight", to ensure integrity in performance data reporting.	One outcome of the **Structure of Accountability Team** will be improved oversight and evaluation of results. An oversight group may or may not be recommended.
Position Field Management Organization as a stand-alone entity, including Regions, Supply, Emergency, Evaluations and Research, Data and Statistics, and Programme Information.	**Structure of Accountability Team** to recommend structure defining critical roles, responsibilities and accountabilities for UNICEF, including countries, regions, supply, emergency, evaluation and research data and statistics, and programme information.
Rely on Regions to be team leaders, counsellors and quality controllers in Management Unit; empowered to point just short of making decisions for country representatives.	**Effective Field Management Team** is creating monitoring system for collection of the key resource management indicators which will be automatically reviewed by the regional office, with a trigger system for intervention. **Structure of Accountability Team** to recommend structure defining critical roles, responsibilities and accountabilities for UNICEF, including the role of regional offices, geographical desk functions and programme policy and development.
Redeploy Geographical Sector desk functions to Regions and Field Management group leadership. Maintain Programme Policy and Development at headquarters.	**Structure of Accountability Team** to recommend structure defining critical roles, responsibilities and accountabilities for UNICEF, including regional offices, geographical desk functions and programme policy and development.
Create a single External Relations Unit.	**Relations with Governments, the United Nations System, and Intergovernmental and Non-Governmental Organizations and Communication Strategy and Structure Teams** to coordinate with the Structure of Accountability Team on proposals for structure to facilitate external relationships and communications in a way which avoids duplication and cost inefficiencies.
Increase visibility and priority of National Committee management and non-governmental organization (NGO) relations.	**Relations with National Committees Team** to clarify future roles of UNICEF National Committees, develop an integrated strategy to manage relations in partnership and recommend structure and accountabilities. **Relations with Governments, the United Nations System, and Intergovernmental and Non-Governmental Organizations Team** to clarify objectives of UNICEF relations NGOs and propose comprehensive strategy for interaction with these partners.
Increase effectiveness of finance and information systems as a consequence of more focused group portfolio.	**Studies on finance and information management** to (a) recommend more effective and transparent financial systems; and (b) recommend information technology strategy that leverages and supports UNICEF policy business needs.

Annex (continued)

BAH RECOMMENDATIONS	MANAGEMENT EXCELLENCE ACTIVITIES
Accountability and cost-effectiveness	
Through leadership, role-modeling, training and reinforcement, shape the UNICEF culture into one in which accountability is clearer and taken seriously.	Based on a staff survey, the **Commitments and Conduct Team** is developing a set of professional standards and fundamental principles for all UNICEF staff and will be responsible for ensuring that these standards and principles are integrated into the UNICEF way of working through common commitment of the organization and of individual staff. **Structure of Accountability Team** to recommend structure defining critical roles, responsibilities and accountabilities for UNICEF.
Empower auditors and Oversight Unit to monitor accountability, but depend even more on impact of overall "value system change".	
Principles of accountability apply to cost-effectiveness. As stewards of funds for children, all staff must assume accountability for prudent management.	**Effective Field Management Team** to develop training programme for managers, including existing modules in people skills, work process redesign and self-audit.
Ensure that accountability principles are enforced by process for appraisal, promotion and reward. Separate out personnel who are unable to honour that trust at any level.	**Effective Field Management Team** to provide recommendations on performance appraisal systems and indicators related to effective management, and in coordination with the **Staff Deployment Process Team**, recommendations on performance appraisal, rewards and sanctions.
Programming	
Focus headquarters technical advisers on maintaining expertise and developing policies.	**Structure of Accountability Team** to define oversight, support and organizational activities grouped by functions and issues and to propose a strategy for UNICEF as a learning organization.
Increase priority and urgency at International Child Development Centre; integrate into strategic planning process.	
Technical advisers do not manage field priorities; this to be done by Field Management organization.	
Introduce more checks on country representative accountability through Field Management organization, including Regions and Oversight group, including Internal Audit.	**Effective Field Management Team** to develop PROMS where facility for holding representatives accountable for resource allocation decisions is built in and a system where breaking through established "boundaries" leads to automatic attention from regional offices and headquarters. **Structure of Accountability Team** to develop a UNICEF-wide structure that defines key planning, execution and control functions, accountabilities and interrelationships among headquarters, regional offices and country offices.
Shorten the country programme planning process; reduce cost and increase timeliness.	**Structure of Accountability Phase II Team** to examine and redesign improved country programme planning and management work processes.
Increase mid-programme flexibility through the proactive use of mid-term and annual reviews.	

BAH RECOMMENDATIONS	MANAGEMENT EXCELLENCE ACTIVITIES
Programming (continued)	
Consider conducting programme plans more than once a year.	**Effective Field Management Team** to: (a) Design PROMS that includes strong project planning and revision tools to facilitate quarterly revision of programmes; (b) Develop set of key management indicators which are cross-divisional and which will be monitored at field offices, regional offices and headquarters; (c) Establish focal point at regional office and headquarters levels to review cross-sectional indicators.
Consolidate monitoring (data gathering) functions of all headquarters units.	**Structure of Accountability Team** to define organizational activities grouped by functions and issues and to propose a strategy for UNICEF as a learning organization.
Develop monitoring formats which acknowledge the operating complexities of UNICEF work, including the inputs of Governments and NGOs affecting results.	**Structure of Accountability Phase II and Effective Field Management Teams** to review monitoring processes, with input from project team on Relations with Governments, the United Nations system, and Intergovernmental and Non-Governmental Organizations.
Rely on regions to bring new value, "checks and balances" to country evaluation process.	**Structure of Accountability Team** to recommend structures and processes for improved evaluation of results.
Continue building "lessons learned" database and build field use.	**Structure of Accountability Team** to propose a strategy for UNICEF as a learning organization. **Human Resources Strategy and Strategic Function Team** to define process for reflecting on and learning from best practices and experience of human resources management.
Global goals	
Introduce a collaborative process for goals definition on an ongoing basis; regions to coordinate country inputs for dialogue with headquarters.	**Structure of Accountability Team** to develop a set of principles which guide the organization to balance corporate and country priorities, and structures of accountability which accommodate diversity in country situations. The Phase II Team will revise work processes to ensure implementation of these principles.
Derive target levels based on analysis of technical possibilities and "best case" examples available.	
Set differential target levels from the start to recognize different country starting points, rather than requiring a special concessions process.	
Eliminate use of global funds (Programme Funds for the 1990s Goals) for headquarters staff (may require change in funding and Board approval procedures).	Under way as part of integrated budget proposals
Articulate clear principles for global funds allocation to field offices and implement in a transparent way.	Superseded as general resources global funds being phased out with the exception of the Emergency Programme Fund, for which there are very clear guidelines.
Require explicit reporting on the use of global funds allocations toward goals objectives.	

Annex (continued)

BAH RECOMMENDATIONS	MANAGEMENT EXCELLENCE ACTIVITIES
Human resources	
Focus attention on resolving distress level; restore integrity to key human resources process.	**Human Resources Strategy and Strategic Function Team** to develop a comprehensive human resources strategy, including the transformation of the Division of Personnel to a strategic function. **Staff Deployment Process Team** to reformulate policies and design supporting processes for recruitment, placement, promotion, rotation and separation of all staff. **Human Resources Support System project** has completed the revised personnel policies manual and will continue its work on further developing personnel management processes and systems. **Effective Field Management Team**, in collaboration with the **Human Resources Strategy and Strategic Function** and **Staff Deployment Process Teams**, to establish system for performance assessments of representatives and senior managers which reflects their management skills (e.g. people management).
Minimize redefinition of posts.	The new integrated budget procedure will allow careful review of posts during country programme preparation and adjustments during mid-term reviews. This will reduce ongoing post redefinition.
Revise rotation policy; limit required relocations; where required, enforce with few special concessions.	**Staff Deployment Process Team** to develop a transparent, fair, integrated, streamlined, UNICEF-wide system and process for recruitment, placement, promotion, rotation and separation of all staff, with clear policies and procedures, reduction of turn-around time, and equitable representation of nationalities and gender.
Simplify international Professional recruiting process; minimize senior interventions.	
Decouple merit recognition from post advancement process.	
Implement thorough evaluation process for all staff; develop means to handle non-performers.	**Staff Deployment Process Team** to review and recommend processes on performance appraisal, rewards and sanctions. **Human Resources Strategy and Strategic Function Team** to establish, particularly at the country office level, a decentralized team responsibility and capacity for assessing human resources management performance and effecting improvements. **Effective Field Management Team**, in collaboration with the **Human Resources Strategy and Strategic Function** and **Staff Deployment Process Teams**, to establish system for performance assessment of representatives and senior managers which reflects their management skills (e.g. people management).
Clearly articulate staff development opportunities and"how-tos" for advancement, particularly for General Service staff.	
Link training programmes to needed staff skills.	**Human Resources Strategy and Strategic Function Team** to link training to priority strategic directions indicated in the UNICEF medium-term plan and country programme strategy notes.

BAH RECOMMENDATIONS	MANAGEMENT EXCELLENCE ACTIVITIES
Human resources (continued)	
Update personnel policies manual; assess entitlement processing demands, and re-evaluate staffing as needed.	**Human Resources Support System Project** has completed the revised personnel policies manual. Work will continue to simplify employee access to human resources regulations, rules and directives; to recommend and implement effective and timely processing, monitoring and control of personnel transactions; and to ensure easy access to human resources data to support staffing, recruitment, rotation and career development decisions. **Effective Field Management Team** to establish system to introduce "on-line" manuals for speedy updating and dissemination of guidelines, rules and regulations.
Information and communication	
Integrate activities; instill focal leadership in a single organization unit.	**Communication Strategy and Structure Team** to develop a global communication policy to be implemented through (a) comprehensive and integrated strategies; and (b) appropriate management and coordination structures, with clear lines of responsibility and accountability. Team will produce a conceptual framework for synergy of communication functions. **Structure of Accountability Team** will also recommend on New York/Geneva operations.
Create communication strategy guidelines drawn from UNICEF core mission and goals.	
Restructure resources to facilitate coordination and internal support and coherence; simplify processes; fortify publication review process.	
Ensure New York/Geneva operational cooperation and harmony.	
Invest selectively in field effectiveness analysis, including survey of editors and journalists, at least once every two years.	
Apply cost-effectiveness criteria to media and editorial spending decisions; monitor funds, production costs, staff time; develop actions plans by audience segment.	**Communication Strategy and Structure Team** is developing a costing framework for publications as part of their recommendations. The Deputy Executive Director, External Relations, is leading a group which is examining the UNICEF process for reviewing publications, including issues related to cost.
Introduce effective budgeting process and meaningful measurement process for communication results.	
Help launch proactive programme for supervising external relations activities of National Committees.	**Relations with National Committees Team** to propose UNICEF structure and processes for interaction with National Committees and clear definition of operating values, principles and procedures in the relationship between UNICEF and National Committees, and of expected outcomes, standards and performance of both partners.

Annex (continued)

BAH RECOMMENDATIONS	MANAGEMENT EXCELLENCE ACTIVITIES
Fund-raising	
Introduce more effective "traffic control" of country representatives to donor capitals.	**Relations with Governments, the United Nations System, and Intergovernmental and Non-Governmental Organizations Team** to clarify objectives of UNICEF relations with Governments and propose comprehensive strategy for interaction with these partners, including recommendations on organizational structure with clear lines of responsibility, coordination and accountability; avoidance of duplication and cost inefficiencies; and resource mobilization and strategic planning functions. **Effective Field Management Team** to introduce strengthened planning system (PROMS) will facilitate individual work planning and provide tools for the regional office to monitor travel requests of representatives.
Investigate potential improvements in supplemental donation processing through joint development with donors of universal standards.	**Effective Field Management Team** to undertake work process redesign for issuing programme budget allotments. PROMS will include function to ensure limitations on usage of funds is not ignored.
Separate greeting card business and private sector fund-raising units; put qualified experience, know-how into each function.	Study planned in early 1996 to review profitability of greeting cards and product sales. GCO taking actions to improve business in high potential markets (Japan, United Kingdom, United States and 10 priority field offices); use of new technologies to aid design process (GCO Art Imaging System - GAINS); opened up new market and distribution channels; and created an inventory task force.
Dedicate efforts to turn-around of greeting card business, including focused efforts on high sales potential markets; streamlined design selection; improved inventory management; and revised approaches to spurring creative market development.	
Consider opportunities to expand product offerings substantially to include items such as novelty items, toys, etc., with the aid of marketing and retailing experts (avoid tax "pitfalls").	
Examine opportunities to reduce costs of private sector fund-raising; consider National Committee commissions and other cost items.	**Relations with National Committees Team** to propose UNICEF structure and processes for interaction with National Committees and clear definition of operating values, principles and procedures in the relationship between UNICEF and National Committees, and of expected outcomes, standards and performance of both partners. Special emphasis will be placed on improved fund-raising base.
Manage National Committees more proactively through (newly strengthened) External Relations manager.	
Modify and manage National Committee commissions and costs over time.	

BAH RECOMMENDATIONS	MANAGEMENT EXCELLENCE ACTIVITIES
NGOs and other agencies	
Increase commitment to working with partners to better leverage UNICEF skills and resources.	**Relations with Governments, the United Nations System, and Intergovernmental and Non-Governmental Organizations Team** and, to some extent, the **Relations with National Committees Team**, to clarify objectives of UNICEF relations with NGOs and propose comprehensive strategy for interaction with these partners, including recommendations on organizational structure with clear lines of responsibility, coordination and accountability; avoidance of duplication and cost inefficiencies; and resource mobilization and strategic planning functions.
Promote this priority from the most senior levels in the organization	
Implement changes in daily country operations, such as including relevant NGOs in the programme planning process.	
Governance	
Make conscious decision to launch a "new era" of support, collaboration, transparency and accountability between Board and secretariat.	Small team of secretariat staff, under the leadership of the Deputy Executive Director, External Relations, has been established by the Executive Director to work with members of the Executive Board in determining ways in which cooperation between the secretariat and the Executive Board can be further strengthened in meeting the challenges ahead.
Review and redefine roles; Board priorities are policy, strategy and oversight; secretariat priorities are strategy and effective management.	
Develop basic strategy plan as key to dialogue.	
Use meeting agenda as the "lever" which focuses the Board on most important issues; consider agenda planning on annual cycle.	